

Office Memorandum • UNITED STATES GOVERNMENT

TO : Files

FROM : Assistant General Counsel

SUBJECT: Repeal of Section 9 of Public Law 110, 81st Congress.

DATE: 24 March 1950

1. I have been negotiating with the Bureau of the Budget regarding the repeal of Section 9 of the Central Intelligence Agency Act of 1949. They have suggested in the alternative certain broad language which I have indicated to them would be unacceptable to us for the following reasons:

a. There is no need for such language;

b. In view of our specific exemption from the Act, and the Comptroller General's decision of 15 November 1949 regarding our utilization of the so-called super-grades in the Act, no additional legal authority is needed by this Agency for the classification of personnel;

c. I do not think it advisable to open up on the Hill all of our personnel and classification problems which would be raised by the proposed Bureau of the Budget language.

2. On 24 March 1950 the Bureau of the Budget forwarded to me the following proposed language for substitution in place of Section 9:

"The Director shall, so far as may be practicable, fix and adjust the rates of compensation of civilian positions of the Agency to correspond to those established under the Classification Act of 1949."

This new proposed language is unacceptable for the same reasons as mentioned in paragraph 1 above.

3. On 14 June 1949 we forwarded a letter to the Chairman of the House Committee on Post Office & Civil Service, the text of which had been approved in a letter to the DCI from Roger W. Jones, Assistant Director of the Bureau of the Budget, on 9 June 1949.

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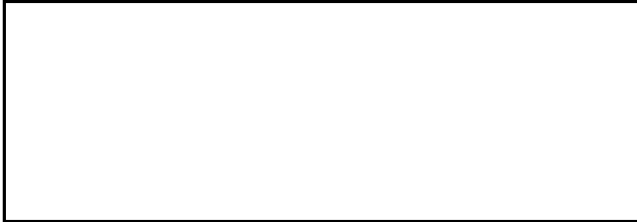
4. In this letter ~~to~~ Congressman Murray we suggested that the following language be included in the Classification Act:

"the Director of Central Intelligence is authorized to employ, for services in the District of Columbia or elsewhere, such number of employees of the various classes recognized in this act to perform the functions of the Central Intelligence Agency, as may be appropriated for by Congress from year to year, and in so doing he shall adhere to the standards, classes and grades set forth herein."

5. Thus it can be seen that we attempted to secure legislation similar to that desired by the Bureau of the Budget when the Classification Act was originally being considered. At that time, however, the House Civil Service Committee indicated that they did not think the language necessary and that they did not want to encumber us in any way other than to give us the blanket exemption from the Classification Act, which they subsequently did.

6. For this reason, I think we must insist on our position that we do not want to substitute any language for Section 9 of the Central Intelligence Agency Act, but merely wish to repeal it in its entirety.

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Walter L. Pforzheimer

cc - Budget Officer

This memo was discussed by me with the DCI, who approved the thought in #6.

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